



Interim Financial Report City of Rye, New York



Six Months Ended June 30, 2006

Michael A. Genito
Assistant City Manager
City Comptroller
August 2, 2006

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CITY OF RYE

Department of Finance

August 2, 2006

To the Honorable Mayor, City Council and City Manager:

We are pleased to present the City of Rye, New York interim financial reports as of and for the six months ended June 30, 2006, with comparative totals for the same period in 2005. The report is divided into three sections: this management discussion and analysis, the financial statements, and a glossary of terms. As always, we are open to your suggestions, comments and questions that may foster improvements in these and other reports.

It should be remembered that unlike our comprehensive annual financial report, these interim financial reports are prepared for the use of management as internal documents. These interim financial reports are unaudited and are not prepared in compliance with generally accepted accounting principles (GAAP) in that they do not include all funds of the city, do not include all GAAP-required statements and schedules, do not include notes to the financial statements, and are not necessarily formatted in accordance with GAAP.

General Fund

The General Fund constitutes the primary operating fund of the city, in that it includes all revenues and expenditures not required by law or policy to be accounted for in other funds.

Total General Fund revenues are up \$962,585 (4.8%). Of this amount, property taxes and related items increased \$928,630 (5.8%) - representative of our fiscal 2006 property tax rate increase of 4.78%, increases in taxable assessments, and increased interest and penalties on overdue property taxes. Non-property tax items increased \$46,816 (10.6%), reflecting increased sales and use tax and utility gross receipts taxes. Charges for services increased \$73,059 (9.9%). Parking station revenues of \$96,496 (newly implemented in August 2005) and increases in right of way fees (\$5,480), city parking meter revenues (\$4,830) and site plan review fees (\$6,183) were offset by decreases in fees-in-lieu-of parkland (\$7,780), recreation (\$21,352), and non-refundable bid fees (\$12,450). Charges to other governments dropped slightly by \$186 (0.3%).

Use of money and property (essentially interest earnings) is up \$186,100 (109.2%). The average monthly overnight rate of return was 4.64% in 2006 compared to 2.77% in 2005.

Licenses and permits revenue decreased \$106,259 (10.3%), comprised primarily of decreases in building and alteration permits (\$146,516) offset by increases in parking permits (\$38,355). Fines and forfeitures are down \$19,575 (7.4%), consisting of decreases in code violations (\$11,810), parking fines (\$7,198) and forfeitures of deposits (\$5,333) and increases of vehicle and traffic fines \$2,990. The amount collected for any given fine is dependent on a number of factors, including but not limited to, the level of activity by enforcement officers issuing violations, the type of violation issued, the amount of the fine and any associated penalties, the ultimate adjudication of the violation, and if applicable, the timeliness of payment. Sale of property and compensation for loss is down \$3,979 (8.9%), attributed mostly to decreases in disability insurance recoveries (\$3,230).

Miscellaneous revenues are down \$7,831 (17.6%) with decreases in gifts and donations (\$15,752) offset by an increase in refunds of prior year expenditures (\$8,225). Interfund revenues show an increase of \$5,159 (2.3%). Intergovernmental revenues decreased by \$139,349 (13.1%), an amount reflective of a decrease in mortgage tax received from the state (\$109,249) and various other state and federal aid. Interfund transfers in are as budgeted for the second quarter in both years.

General Fund expenditures are up a total of \$1,381,259 (11.5%). Salaries and wages are up \$790,809 (16.7%). There were 13 payroll periods in 2006, compared to 12 periods in 2005, which will contribute to increased salary and benefit expenses in each fund. Employee benefits have gone up 244,342 (12.1%), representing increases in hospitalization benefits (\$231,985), dental insurance (\$11,451), retiree Medicare (\$6,943) and the employer share of FICA (\$57,191) and a decrease in workers' compensation costs (\$63,817).

Equipment purchases are up \$26,418 (28.0%) attributed mostly to increased purchases of computer equipment for the police department (\$27,985). Materials and supplies decreased \$8,509 (1.2%). Contractual costs are up \$582,752 (20.8%), attributed to increases found in the interfund services charges of the Building and Vehicle Fund (\$309,990) and Risk Retention Fund (\$82,603), ambulance/EMT service costs (\$103,200), contract agency costs (\$26,477), legal services (\$30,528), and miscellaneous service contracts (\$28,739). Any changes year-to-year in the interfund transfers out represent the amounts planned and budgeted.

Cable TV Fund

The Cable TV Fund is used to account for revenues received from the franchise holder for public access cable television programming, and the expenditure of funds related to the city's RCTV cable television operations.

Total revenues decreased \$19,304 compared to the same period last year. There was an increase in the use of money and property (interest earnings) of \$3,800. The PEG access facility grant (\$23,000) for 2006 has not yet been received.

Total expenditures decreased \$46,030 (43.1%). Salaries and wages decreased by \$12,655 (25.3%), due to the departure of the cable television coordinator in August of 2005. Equipment

expenditures are down \$15,791 (85.6%), due only to the timing of purchases. Materials and supplies decreased \$2,179 (42.1%) from last year. Contractual costs dropped by \$12,173 (51.2%), related to the engagement of consultants to assist in the negotiation of a new franchise agreement in 2005. Employee benefits are down \$3,232 (34.0%).

K.T. Woods Permanent Fund

The K.T. Woods Permanent Fund accounts for \$20,000 bequeathed to the city by Katherine T. Woods. Under the terms of the agreement, the original \$20,000 must remain on deposit in perpetuity. The interest earned on the deposit is to be used as a “scholarship” to partially fund the salaries of Rye Nature Center interns who have demonstrated a dedication for the purposes of the Rye Nature Center. The agreement provides that other contributions may be made to the K.T. Woods Fund to increase the amount of available funding. The only expenditures of this fund are the amounts paid out for the aforementioned scholarship(s).

Use of money and property (interest earnings) is up \$157 (49.1%). In each respective year, \$4,000 was budgeted and transferred to the General Fund as a scholarship amount.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources to be used for the redemption of principal and interest on general long-term debt.

Use of money and property (interest earnings) increased \$16,201 (255.1%). Interfund transfers in are up \$83,247 as budgeted.

Debt interest expenditures for the second quarter have decreased \$1,067 (3.9%) in accordance with debt repayment schedules.

Boat Basin Fund

The Boat Basin Fund is used to account for the revenues and expenses of the DePauw Municipal Boat Basin. The Boat Basin Fund is an enterprise fund, operating in a manner similar to a private business enterprise.

Overall, revenues of the Boat Basin Fund are up \$30,946 (7.1%), with charges for services increasing by \$10,094 (2.4%) and a rise in interest income of \$20,829 (201.0%).

Total expenses of the Boat Basin Fund are up \$8,010 (3.6%). Salaries and wages are up \$11,707 (15.6%); equipment costs are down \$12,697; depreciation shows an increase of \$3,294 (10.0%), and materials and supplies are down \$2,834 (18.8%). Contractual costs are up \$6,198 (10.0%). Employee benefits increased \$2,342 (9.4%).

Golf Club Fund

The Golf Club Fund is used to account for the revenues and expenses of the Rye Golf Club. Like the Boat Basin Fund, the Golf Club Fund is an enterprise fund, operating in a manner similar to a private business enterprise.

Total revenues of the Golf Club are up \$304,119 (7.5%). Charges for services are up \$89,501 (2.3%); Concession revenues increased \$42,432 (80.9%) due to the expiration of the concessionaire's contract for the snack bar and catering services, which are now handled by the Golf Club's manager. Use of money and property has increased substantially \$166,074, with interest income increasing by \$40,738 and income from the rental of Whitby Castle of \$125,136. Miscellaneous revenues are up \$6,112 due to refunds of prior year expenses.

Total expenses of the Golf Club decreased \$257,299 (14.0%). Salaries and wages are up \$149,997 (31.7%) as budgeted, due to an increased number of workers and work hours. Equipment purchases are down \$4,761 (16.3%). Depreciation increased \$22,446 (10.0%) due to recent capital improvements being brought into service. Materials and supplies increased by \$120,122 (28.7%), attributed mostly to building repair and maintenance (\$23,525), gas and electric utilities (\$31,413), and restaurant/snack bar supplies (\$66,423). Contractual costs decreased \$41,621 (9.4%), primarily due to decreases in miscellaneous service contracts (\$43,281). Debt interest is down \$7,821 (15.3%) reflecting the further reduction of outstanding debt. Employee benefits are up \$18,937 (9.7%), mostly related to increases in health care costs and increased payroll.

Risk Retention Fund

The Risk Retention Fund is used to account for general liability insurance and risk management services provided to various city departments, charging each department a "premium" for such services. The city is partially self-insured, purchasing catastrophic loss insurance.

Overall revenues of the Risk Retention Fund are up \$75,217 (14.8%). Interfund service charges increased \$68,380 (13.7%), interest income is up \$8,105 (118.1%), and miscellaneous revenues decreased by \$1,268.

Total expenses of the Risk Retention have decreased \$44,052 (10.3%), primarily attributed to decreases in legal services (\$30,023) and judgments and claims (\$16,109).

Building and Vehicle Maintenance Fund

The Building and Vehicle Maintenance Fund is used to account for the acquisition, operation, maintenance and disposition of the city's buildings and vehicles that are not otherwise accounted for in other funds.

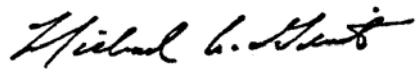
Revenues of the Building and Vehicle Maintenance Fund are up \$370,021 (28.0%), comprised of an increase in interest income of \$64,830 (199.3%) and an increase in interfund revenues of \$310,806 (24.4%), as budgeted.

Building and Vehicle Maintenance Fund expenses are up \$203,570 (17.3%). Salaries and wages increased \$16,550 (5.8%). Equipment costs are up \$1,493, depreciation has increased \$69,924 (24.1%), and materials and supplies are up \$111,518 (42.9%) as a result of increased repairs and maintenance of buildings and vehicles. Contractual costs increased \$12,594 (18.9%). Debt interest is down \$15,569 (10.4%), and employee benefits are up \$7,060 (6.3%).

Acknowledgements

We wish to extend a very special thanks to Finance Department staff accountants Joseph Fazzino and Carolyn Ottly for their assistance in preparing this report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael A. Genito".

Michael A. Genito
Assistant City Manager
City Comptroller

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FINANCIAL STATEMENTS

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City of Rye, New York
General Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ 26,168,015	\$ 22,391,328
Investments	700,674	1,204,071
Taxes receivable	1,100,432	964,122
Accounts receivable	28,808	15,097
Due from other funds	4,637	1,564,421
Due from other governments	67,304	62,192
Prepaid expenditures	905,417	1,226,827
Total Assets	<u>\$ 28,975,287</u>	<u>\$ 27,428,058</u>
Liabilities:		
Accounts payable	\$ 350,520	\$ 236,051
Accrued liabilities	10,000	10,000
Retained percentages	982	982
Customer deposits	365,141	326,160
Due to other funds	-	29,509
Due to other governments	9,361,525	8,885,770
Deferred revenues	115,963	159,754
Total Liabilities	<u>10,204,131</u>	<u>9,648,226</u>
Fund Balance:		
Reserved for encumbrances	443,262	525,383
Reserved for compensated absences	896,773	807,757
Reserved for prepaid expenditures	905,417	1,226,827
Reserved for specific purposes	325,269	439,344
Unreserved:		
Appropriated	2,079,487	2,561,119
Designated for specific purposes	1,329,985	1,007,159
Undesignated	12,790,963	11,212,243
Total Fund Balance	<u>18,771,156</u>	<u>17,779,832</u>
Total Liabilities and Fund Equity	<u>\$ 28,975,287</u>	<u>\$ 27,428,058</u>

City of Rye, New York
General Fund
Comparative Statements of Revenues by Source and Expenditures by Object
For Six Months Ended June 30

	2006 Budget	2006 Actual	2005 Budget	2005 Actual
Revenues:				
Property taxes and related items	\$ 16,988,923	\$ 16,958,683	\$ 16,085,280	\$ 16,030,053
Non-property tax items	2,320,500	486,958	2,163,000	440,142
Charges for services	1,293,640	812,951	1,239,635	739,892
Charges to other governments	67,445	62,992	66,245	63,178
Use of money and property	525,100	356,459	230,200	170,359
Licenses and permits	1,292,391	923,177	1,195,302	1,029,436
Fines and forfeitures	482,700	245,194	450,783	264,769
Sale of property and compensation for loss	53,750	40,830	3,350	44,809
Miscellaneous	50,990	36,702	39,500	44,533
Interfund revenues	416,803	227,423	407,924	222,264
Intergovernmental revenues	2,636,129	924,008	2,116,797	1,063,357
Interfund transfers in	4,000	4,000	4,000	4,000
Total Revenues	26,132,371	21,079,377	24,002,016	20,116,792
Expended:				
Salaries and wages	11,517,082	5,526,597	10,953,359	4,735,788
Equipment	378,417	120,743	560,109	94,325
Materials and supplies	2,368,128	716,462	2,206,363	724,971
Contractual costs	6,756,254	3,387,726	5,731,172	2,804,974
Employee benefits	5,836,863	2,257,764	5,502,465	2,013,422
Interfund transfers out	1,355,114	1,355,114	1,609,667	1,609,667
Total Expended	28,211,858	13,364,406	26,563,135	11,983,147
Revenues over/(under) expenditures	(2,079,487)	7,714,971	(2,561,119)	8,133,645
Appropriated fund balance	2,079,487	-	2,561,119	-
Net change in fund balance	\$ -	\$ 7,714,971	\$ -	\$ 8,133,645

City of Rye, New York
General Fund
Comparative Statements of Revenues and Expenditures
by Program
For Six Months Ended June 30

	2006 Budget	2006 Actual	2005 Budget	2005 Actual
Revenues:				
Unallocated	\$ 22,437,211	\$ 18,767,783	\$ 20,560,386	\$ 17,713,850
General government	441,289	227,920	414,485	225,108
Public safety	663,596	307,307	609,385	332,395
Community environment	1,737,245	1,209,422	1,614,878	1,229,828
Recreation and culture	853,030	566,945	802,882	615,611
Interfund transfers in	-	-	-	-
Total Revenues	26,132,371	21,079,377	24,002,016	20,116,792
Expended:				
General government	\$ 3,507,693	\$ 1,624,673	\$ 3,308,975	\$ 1,450,445
Public safety	11,964,409	5,439,363	10,902,170	4,472,733
Community environment	7,594,940	3,545,783	7,022,393	3,096,245
Recreation and culture	3,790,316	1,541,087	3,562,297	1,412,424
Transfers out and contingency	1,354,500	1,213,500	1,767,300	1,551,300
Total Expended	28,211,858	13,364,406	26,563,135	11,983,147
Revenues over/(under) expenditures	(2,079,487)	7,714,971	(2,561,119)	8,133,645
Appropriated fund balance	2,079,487	-	2,561,119	-
Net change in fund balance	\$ -	\$ 7,714,971	\$ -	\$ 8,133,645

City of Rye, New York
Cable TV Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ 457	\$ 32,224
Investments	206,667	92,834
Accounts receivable	110	25
Due from other funds	-	4,333
Due from other governments	-	-
Prepaid expenditures	3,250	6,424
Total Assets	<u>\$ 210,484</u>	<u>\$ 135,840</u>
Liabilities:		
Accounts payable	\$ 487	\$ 1,387
Accrued liabilities	-	-
Retained percentages	-	-
Due to other funds	-	7
Due to other governments	-	-
Deferred revenues	-	-
Total Liabilities	<u>487</u>	<u>1,394</u>
Fund balance:		
Reserved for encumbrances	11,573	22,069
Reserved for compensated absences	4,101	16,342
Reserved for prepaid expenditures	3,250	6,424
Unreserved:		
Appropriated	17,168	46,584
Undesignated	173,905	43,027
Total fund balance	<u>209,997</u>	<u>134,446</u>
Total Liabilities and Fund Equity	<u>\$ 210,484</u>	<u>\$ 135,840</u>

City of Rye, New York
Cable TV Fund
Comparative Statements of Revenues and Expenditures
For Six Months Ended June 30

	2006	2006	2005	2005
	Budget	Actual	Budget	Actual
Revenues:				
Non-property tax items	\$ 190,000	\$ -	\$ 175,000	\$ -
Use of money and property	2,000	4,528	400	728
Miscellaneous	24,600	165	24,600	23,269
Interfund transfers in	-	-	-	-
Total Revenues	216,600	4,693	200,000	23,997
Expended:				
Salaries and wages	112,707	37,365	109,599	50,020
Equipment	25,600	2,646	25,614	18,437
Materials and supplies	13,300	3,001	13,128	5,180
Contractual costs	47,824	11,586	66,399	23,759
Employee benefits	34,337	6,278	31,844	9,510
Interfund transfers out	-	-	-	-
Total Expended	233,768	60,876	246,584	106,906
Revenues over/(under) expenditures	(17,168)	(56,183)	(46,584)	(82,909)
Appropriated fund balance	17,168	-	46,584	-
Net change in fund balance	\$ -	\$ (56,183)	\$ -	\$ (82,909)

City of Rye, New York
K.T. Woods Permanent Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ -	\$ -
Investments	20,781	23,881
Accounts receivable	-	-
Due from other funds	-	-
Due from other governments	-	-
Prepaid expenditures	-	-
Total Assets	<u>\$ 20,781</u>	<u>\$ 23,881</u>
Liabilities:		
Accounts payable	\$ -	\$ -
Accrued liabilities	-	-
Due to other funds	-	-
Due to other governments	-	-
Deposits	-	-
Total Liabilities	<u>-</u>	<u>-</u>
Fund equity		
Appropriated fund balance	3,200	4,000
Reserved nonexpendable	20,000	20,000
Reserved expendable	(2,419)	(119)
Total Fund Equity	<u>20,781</u>	<u>23,881</u>
Total Liabilities and Fund Equity	<u>\$ 20,781</u>	<u>\$ 23,881</u>

City of Rye, New York
K.T. Woods Permanent Fund
Comparative Statements of Revenues and Expenditures
As at June 30

	2006	2006	2005	2005
	Budget	Actual	Budget	Actual
Revenues:				
Use of money and property	\$ 800	\$ 477	\$ -	\$ 320
Miscellaneous revenues	-	-	-	-
Total Revenues	800	477	-	320
Expended - Interfund transfers out	4,000	4,000	4,000	4,000
Revenues over/(under) expenditures	(3,200)	(3,523)	(4,000)	(3,680)
Appropriated fund balance	3,200	-	4,000	-
Net change in fund balance	\$ -	\$ (3,523)	\$ -	\$ (3,680)

City of Rye, New York
Debt Service Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ -	\$ -
Investments	233,878	160,903
Due from other funds	3,367	904
Total Assets	<u>\$ 237,245</u>	<u>\$ 161,807</u>
Liabilities:		
Accounts payable	\$ -	\$ -
Accrued liabilities	728	-
Due to other funds	-	-
Total Liabilities	<u>728</u>	<u>-</u>
Fund balance:		
Appropriated fund balance	-	80,000
Reserved for debt	236,517	81,807
Total fund balance	<u>236,517</u>	<u>161,807</u>
Total Liabilities and Fund Equity	<u>\$ 237,245</u>	<u>\$ 161,807</u>

City of Rye, New York
Debt Service Fund
Comparative Statements of Revenues and Expenditures
For Six Months Ended June 30

	2006	2006	2005	2005
	Budget	Actual	Budget	Actual
Revenues:				
Use of money and property	\$ -	\$ 22,551	\$ -	\$ 6,350
Interfund transfers in	141,614	141,614	58,367	58,367
Total Revenues	141,614	164,165	58,367	64,717
Expended:				
Debt principal	63,829	-	67,197	-
Debt interest	77,785	26,291	71,170	27,358
Total Expended	141,614	26,291	138,367	27,358
Revenues over/(under) expenditures	-	137,874	(80,000)	37,359
Appropriated fund balance	-	-	80,000	-
Net change in fund balance	\$ -	\$ 137,874	\$ -	\$ 37,359

City of Rye, New York
Boat Basin Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ 4,852	\$ 119,070
Investments	1,464,399	1,157,226
Accounts receivable	117	16
Due from other funds	-	7,050
Due from other governments	-	-
Prepaid expenses	7,983	12,089
Property, plant & equipment	1,489,929	1,473,671
Accumulated depreciation	(791,522)	(723,211)
Total Assets	<u>\$ 2,175,758</u>	<u>\$ 2,045,911</u>
Liabilities:		
Accounts payable	\$ 2,736	\$ 2,504
Accrued liabilities	-	-
Retained percentages	-	-
Due to other funds	30	759
Due to other governments	24	43
Deferred revenues	-	-
Compensated absences	19,834	21,382
Total Liabilities	<u>22,624</u>	<u>24,688</u>
Fund Equity:		
Reserved for encumbrances	3,379	2,796
Reserved for prepaid expenses	7,983	12,089
Retained earnings	2,141,772	2,006,338
Total Fund Equity	<u>2,153,134</u>	<u>2,021,223</u>
Total Liabilities and Fund Equity	<u>\$ 2,175,758</u>	<u>\$ 2,045,911</u>

City of Rye, New York
Boat Basin Fund
Comparative Statements of Revenues and Expenditures
For Six Months Ended June 30

	2006		2006		2005		2005	
	Budget		Actual		Budget		Actual	
Revenues:								
Charges for services	\$	513,956	\$	437,139	\$	501,850	\$	427,045
Use of money and property		30,000		31,193		7,050		10,364
Sale of property and compensation for loss		-		-		-		-
Miscellaneous		-		46		-		23
Interfund revenues		-		-		-		-
Intergovernmental revenues		-		-		-		-
Interfund transfers in		-		-		-		-
Total Revenues		543,956		468,378		508,900		437,432
Expended:								
Salaries and wages		185,758		86,948		177,286		75,241
Equipment		14,998		1,620		16,050		14,317
Depreciation		72,595		36,294		65,995		33,000
Materials and supplies		36,977		12,252		36,528		15,086
Contractual costs		126,897		67,892		117,810		61,694
Employee benefits		74,696		27,193		69,782		24,851
Interfund transfers out		-		-		-		-
Total Expended		511,921		232,199		483,451		224,189
Net increase/(decrease) in retained earnings	\$	32,035	\$	236,179	\$	25,449	\$	213,243

City of Rye, New York
Golf Club Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ 3,685,821	\$ 1,876,306
Investments	1,007,650	2,124,432
Accounts receivable	4,785	919
Due from other funds	-	84,178
Due from other governments	-	-
Prepaid expenses	43,261	71,573
Property, plant & equipment	16,494,253	16,165,613
Accumulated depreciation	(5,050,873)	(4,560,489)
Total Assets	<u>\$ 16,184,897</u>	<u>\$ 15,762,532</u>
Liabilities:		
Accounts payable	\$ 99,778	\$ 121,596
Accrued liabilities	-	-
Retained percentages	1,471	-
Customer deposits	7,255	9,698
Bonds payable	4,210,000	4,452,500
Due to other funds	900	4,656
Due to other governments	6,048	2,772
Deferred revenues	-	-
Compensated absences	50,612	52,434
Total Liabilities	<u>4,376,064</u>	<u>4,643,656</u>
Fund Equity:		
Reserved for encumbrances	323,981	292,008
Reserved for prepaid expenses	43,261	71,573
Retained earnings	11,441,591	10,755,295
Total Fund Equity	<u>11,808,833</u>	<u>11,118,876</u>
Total Liabilities and Fund Equity	<u>\$ 16,184,897</u>	<u>\$ 15,762,532</u>

City of Rye, New York
Golf Club Fund
Comparative Statements of Revenues and Expenditures
For Six Months Ended June 30

	2006	2006	2005	2005
	Budget	Actual	Budget	Actual
Revenues:				
Charges for services	\$ 4,653,500	\$ 4,040,785	\$ 4,449,900	\$ 3,951,284
Concessions	250,000	94,863	250,000	52,431
Use of money and property	18,000	193,499	18,000	27,425
Sale of property and compensation for loss	-	-	-	-
Miscellaneous	-	7,552	-	1,440
Interfund revenues	-	-	-	-
Intergovernmental revenues	-	-	-	-
Interfund transfers in	-	-	-	-
Total Revenues	4,921,500	4,336,699	4,717,900	4,032,580
Expended:				
Salaries and wages	1,625,355	623,458	1,468,241	473,461
Equipment	104,000	24,470	100,924	29,231
Depreciation	493,928	246,972	449,025	224,526
Materials and supplies	1,044,602	538,966	904,187	418,844
Contractual costs	842,121	401,175	798,728	442,796
Debt interest	209,348	43,256	226,061	51,077
Employee benefits	602,055	213,438	540,010	194,501
Interfund transfers out	-	-	-	-
Total Expended	4,921,409	2,091,735	4,487,176	1,834,436
Net increase/(decrease) in retained earnings	\$ 91	\$ 2,244,964	\$ 230,724	\$ 2,198,144

City of Rye, New York
Risk Retention Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ -	\$ -
Investments	569,879	341,909
Prepaid expenses	134,174	67,878
Due from other funds	-	-
Total Assets	<u>\$ 704,053</u>	<u>\$ 409,787</u>
Liabilities:		
Accounts payable	\$ -	\$ 11,548
Accrued liabilities	205,000	131,000
Total Liabilities	<u>205,000</u>	<u>142,548</u>
Fund Equity:		
Reserved for encumbrances	3,600	3,600
Reserved for prepaid expenditures	134,174	67,878
Retained earnings	361,279	195,761
Total Fund Equity	<u>499,053</u>	<u>267,239</u>
Total Liabilities and Fund Equity	<u>\$ 704,053</u>	<u>\$ 409,787</u>

City of Rye, New York
Risk Retention Fund
Comparative Statements of Revenues and Expenditures
For Six Months Ended June 30

	2006		2005	
	Budget	Actual	Budget	Actual
Revenues:				
Use of money and property	\$ 6,000	\$ 14,965	\$ 6,000	\$ 6,860
Miscellaneous	-	250	-	1,518
Interfund revenues	568,630	568,630	500,250	500,250
Total Revenues	<u>574,630</u>	<u>583,845</u>	<u>506,250</u>	<u>508,628</u>
Expended:				
Materials and supplies	1,000	-	1,000	874
Contractual costs	631,630	382,499	631,630	425,677
Total Expended	<u>632,630</u>	<u>382,499</u>	<u>632,630</u>	<u>426,551</u>
Net increase/(decrease) in retained earnings	<u>\$ (58,000)</u>	<u>\$ 201,346</u>	<u>\$ (126,380)</u>	<u>\$ 82,077</u>

City of Rye, New York
Building and Vehicle Maintenance Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ 2,515,323	\$ 3,418,487
Investments	5,202,970	3,156,556
Accounts receivable	90,914	8,152
Due from other funds	-	56,619
Due from other governments	42,272	37,745
Prepaid expenses	34,384	59,662
Property, plant & equipment	24,301,524	20,803,444
Accumulated depreciation	(6,663,855)	(5,916,837)
Total Assets	<u>\$ 25,523,532</u>	<u>\$ 21,623,828</u>
Liabilities:		
Accounts payable	\$ 60,640	\$ 17,978
Accrued liabilities	7,630	-
Retained percentages	168,800	34,522
Bonds and notes payable	16,283,302	10,914,050
Due to other funds	-	1,037,388
Due to other governments	-	-
Deferred revenues	-	-
Compensated absences	71,681	67,226
Total Liabilities	<u>16,592,053</u>	<u>12,071,164</u>
Fund Equity:		
Reserved for encumbrances	3,509,300	2,314,873
Reserved for prepaid expenses	34,384	59,662
Retained earnings	5,387,795	7,178,129
Total Fund Equity	<u>8,931,479</u>	<u>9,552,664</u>
Total Liabilities and Fund Equity	<u>\$ 25,523,532</u>	<u>\$ 21,623,828</u>

City of Rye, New York
Building and Vehicle Maintenance Fund
Comparative Statements of Revenues and Expenditures
For Six Months Ended June 30

	2006	2006	2005	2005
	Budget	Actual	Budget	Actual
Revenues:				
Use of money and property	\$ 40,000	\$ 97,351	\$ 30,000	\$ 32,521
Sale of property and compensation for loss	-	5,806	-	2,946
Miscellaneous	-	765	-	9,240
Interfund revenues	3,172,215	1,586,118	2,550,576	1,275,312
Intergovernmental revenues	53,813	-	47,000	-
Interfund transfers in	-	-	-	-
Total Revenues	3,266,028	1,690,040	2,627,576	1,320,019
Expended:				
Salaries and wages	673,714	303,970	662,744	287,420
Equipment	15,000	10,762	25,255	9,269
Depreciation	721,145	360,570	581,285	290,646
Materials and supplies	679,350	371,651	527,878	260,133
Contractual costs	126,833	79,110	138,975	66,516
Debt interest	721,647	134,733	493,215	150,302
Employee benefits	328,339	119,567	313,729	112,507
Interfund transfers out	-	-	-	-
Total Expended	3,266,028	1,380,363	2,743,081	1,176,793
Net increase/(decrease) in retained earnings	\$ -	\$ 309,677	\$ (115,505)	\$ 143,226

City of Rye, New York
Payroll Agency Fund
Comparative Balance Sheets
As at June 30

	<u>2006</u>	<u>2005</u>
Assets:		
Cash and cash equivalents	\$ 51,290	\$ 645,032
Investments	-	-
Accounts receivable	-	18,606
Due from other funds	-	-
Due from other governments	-	-
Prepaid expenses	5,735	25,907
Total Assets	<u>\$ 57,025</u>	<u>\$ 689,545</u>
Liabilities:		
Accounts payable	\$ 56,999	\$ 39,881
Accrued liabilities	-	-
Due to other funds	-	642,972
Due to other governments	-	-
Withholdings and deposits	26	6,692
Total Liabilities	<u>\$ 57,025</u>	<u>\$ 689,545</u>

GLOSSARY OF TERMS

The following glossary of terms may be helpful in the reading of these reports:

Appropriated Fund Balance - the amount of fund balance that was designated in the budget representing the amount needed to be added to estimated revenues to equal appropriations.

Appropriations - The legal authorization granted by the City Council to make expenditures or incur obligations for specific purposes.

Contractual Costs - This category of expenditures was established to capture the cost of charges for services by other funds, and costs associated with professional and contracted maintenance services.

Employee benefits - The category of expenditures representing the cost of benefits provided to employees by the city, including the city's share of FICA (Social Security and Medicare), health insurance (including dental and vision where applicable), and retirement contributions.

Encumbrances - Commitments related to unperformed contracts for goods or services.

Encumbrances Rolled Forward - The amount represented by encumbrances (purchase orders) outstanding at the end of the previous fiscal year, which are brought forward into the current fiscal year. "Rolling" the encumbrances forward automatically increases the amount of appropriations, as this amount had been reserved at year-end from the fund balance.

Equipment - As used in the interim financial reports, the category of expenditures representing the purchase of equipment costing less than \$15,000 per functional unit (cost center). Equipment costs equal to or greater than \$15,000 are normally funded through the Building and Vehicle Maintenance or Capital Projects Fund.

Estimated Revenues - The amount of revenues estimated to be raised in the budget. Estimates may be on any combination of past performance, current activity, and/or anticipated events.

Expenditures - Decreases in net financial resources.

Fiscal Year - the twelve-month period associated with the financial activity of the city. In the City of Rye, the fiscal year is the same as the calendar year (January 1 through December 31).

Materials and Supplies - The category of expenditures which includes the costs of most goods and services, such as office supplies, telephone, postage, maintenance items, service contracts, etc.

Proprietary Fund - A fund that is operated similar to a commercial establishment. Budgets in these funds are used for planning purposes but do not appear in the general purpose financial statements issued at year-end. Certain expenses, such as depreciation, are recorded in these funds.

Revenues - (1) Increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers. (2) Increases in the net total assets of a proprietary fund type other than expense refunds, capital contributions, and residual equity transfers.

Salaries and wages - The category of expenditures that includes payments to individuals performing work for the city as employees, as defined by the Internal Revenue Service. Salaries and wages include payments to full-time, part-time, seasonal and temporary employees, for regular and overtime work.

